

601 E Street, NW Washington, DC 20049

T 202-434-2277 1-888-OUR-AARP 1-888-687-2277 TTY 1-877-434-7598

www.aarp.org

October 20, 2011

Commissioner Mignon Clyburn Federal Communications Commission 445 12th Street, SE Washington, DC 20554

Dear Commissioner Clyburn:

AARP is pleased to respond to your request for recommendations that will improve access and affordability of telecommunications services for 50+ consumers. We appreciate the tremendous amount of work undertaken by the FCC to resolve longstanding and complex issues. We offer these recommendations on behalf of our members based on 25 years of consumer advocacy in affordable utilities at the federal and state level.

First, as the Commission considers the imposition of an Access Recovery Charge (ARC) that seeks to remedy the imbalances in inter-carrier compensation, AARP asks the Commission to mitigate the impact of the ARC by decreasing the Subscriber Line Charge (SLC). We are particularly concerned with the impact upon older consumers. Older adults are much less likely to "cut the cord" and are therefore more vulnerable to SLC increases. The SLC is not a justified cost recovery based upon demonstrated need by the carriers.

Second, we ask that the FCC declare Voice over Internet Protocol (VoIP) technology a telecommunications service at its Oct. 27 proceeding. The reclassification of this advanced technology, that even the courts ruled is not exempt from state oversight, would make VoIP subject to consumer protections, oversight and quality standards as any other classified service. If the FCC maintains that state regulatory authority is not preempted and Carrier of Last Resort obligations are preserved in its draft order, then it is only reasonable that this advanced technology not be exempted from FCC and state regulatory oversight. Reclassification of VoIP will benefit consumers and preserves the dual state-federal system of regulating providers of voice communication service. Reclassification allows states the authority to adopt service-quality and other consumer protections.

Third, the FCC has suggested that \$1 billion in savings for wireless customers will be realized from the reforms in the draft order. These reforms promise to correct inequities, deter system arbitrage and traffic pumping schemes. However, the savings are presumed to be pass throughs and therefore at the discretion of the providers. AARP requests that the FCC require the industry to file an annual report that details

Commissioner Mignon Clyburn October 20, 2011 Page 2

verifiable and transparent pass throughs to consumers until the ARC is phased out. We also urge the Commission to develop policy that allows consumer groups and members of the Joint Service Board to review information provided by the carriers. It is our belief that the Commission has the necessary authority to ask for this accountability.

Finally, we support the recommendation in the State Member plan to make broadband eligible for Section 254 support. This action by the Commission will effectively declare an explicit national goal of making broadband Internet service available to all Americans at affordable and reasonably comparable rates. As the Commission applies universal service goals to an expanded definition of broadband, mechanisms can be designed that support integrated broadband networks that are capable of providing both data and voice communications, to anchor institutions and to residential customers, and to both urban areas and rural areas.

AARP commends the Commission's willingness to meet with us and provide greater clarity on the draft order. AARP stands ready to work with you to ensure that these proposals are successfully implemented if approved by the Commission.

Sincerely,

Joyce A. Rogers

Senior Vice/President Government Affairs

CC:

Chairman, Julius Genachowski Commissioner Michael Copps Commissioner Robert McDowell